

# *Strategic Plan*



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September 28, 2001

The Honorable Bob Holden  
Governor of Missouri  
State Capitol, Room 218  
Jefferson City, MO 65101

Dear Governor Holden:

I am pleased to submit the Department of Labor and Industrial Relations' 2002-2003 Strategic Plan. This plan reflects the Department's vision, mission and values. The Department remains dedicated to providing safe and healthy workplaces and ensuring economic security for all Missourians by promoting equal access to jobs, enforcing anti-discrimination laws and awarding compensation to those unemployed, injured at work or victims of crime.

The Department has identified three outcomes that will focus our work as we strive to accomplish our mission and meet our commitment to the citizens of the State of Missouri. These outcomes are: Reduced Job Related Accidents, Illnesses and Fatalities, Increased Efficiency and Customer Satisfaction with Department Services and Increased Financial Security for Families of Unemployed, Injured Workers and Victims of Crime.

The Department has developed department-wide objectives to mark our progress as we work throughout the year. This plan represents the commitment of the Department to improve services and programs we offer to Missourians.

Sincerely,

Catherine B. Leapheart  
Director

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Enclosure

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# Vision

Be the nationwide leader in providing the best working environment for all Missourians.

# Mission

The Department of Labor and Industrial Relations is dedicated to providing safe and healthy workplaces and ensuring economic security for all Missourians by promoting equal access to jobs, enforcing anti-discrimination laws and awarding payment of compensation to those unemployed, injured at work and victims of crime.

# Values

The Department of Labor and Industrial Relations believes in the following principles to accomplish its vision and mission:

- ♦ **Leader** - Be the front runner in administering state and federal laws regarding employer and employee rights and responsibilities.
- ♦ **Partnerships** - Collaborate with federal, state and local partners and employees, other governmental agencies, communities and customers to provide the best environment for all who work in Missouri.
- ♦ **Accountability** - Streamline programs and services to provide Missourians with exceptional service in the most cost-efficient manner.
- ♦ **Inventiveness** - Provide the most innovative, creative and hassle-free services to Missouri citizens.

# *Summary of Outcomes/Objectives*

## ***Outcome One***

- Reduced job related accidents, illnesses and fatalities.
  - Number of accidents, illnesses and fatalities

### **Objectives/Measures**

- Increase the number of workplace hazards eliminated resulting in cost savings for Missouri businesses.
  - Number of OSHA/MSHA hazards eliminated
  - Amount of OSHA/MSHA fines avoided
- Increase the number of children verified by a child labor inspection to be employed in safe and healthy workplaces.
  - Number of children employed in safe and healthy workplaces

## ***Outcome Two***

- Increased efficiency and customer satisfaction with department services.
  - Cost reduction for employers (mailing, staff time)
  - Customer satisfaction surveys

### **Objectives/Measures**

- Increase the percentage of claimants filing new, renewed and reopened unemployment insurance claims via the Internet.
  - Percentage of claimants filing new, renewed and reopened unemployment insurance claims via the Internet
- Increase the percentage of employers filing contribution wage reports and/or payment of contributions via the Internet.
  - Percentage of employers filing contribution wage reports and payment of contributions via the Internet
- Increase the percentage of new employers registering through the Department of Labor and Industrial Relations/Department of Revenue application process.
  - Percentage of new employers filing through joint application process
- Increase efficiency of resolving appeals cases through the Labor and Industrial Relations Commission.
  - Time to resolve an appeal
  - Reduced operating expenses (mail, staff time, paper)

- Increase efficiency of resolving workers' compensation cases.
  - Decrease the average number of days from First Report of Injury to a conference settlement
  - Decrease the average number of days from receipt of claim for compensation to a settlement or award
  - Decrease the average number of days from FRI to a settlement or award
  - Decrease operating expenses (mail, staff time, paper)

## ***Outcome Three***

- Increased financial security for families of unemployed, injured workers and victims of crime.
  - Amount of unemployment insurance benefits returned to the economy
  - Percent of average weekly wages compared to weekly unemployment benefit amount
  - Amount of financial assistance to trade-affected workers through federal NAFTA/TRA program
  - Amount of child support obligations fulfilled through withholdings from unemployment insurance benefits
  - Amount of dollars paid to replace lost wages due to workplace injuries
  - Amount of dollars paid to victims of crime

### **Objectives/Measures**

- Increase prompt payment of unemployment insurance initial claims and resolution of contested claims.
  - Percentage of first benefit payments made within 14 days of first compensable week
  - Percentage of nonmonetary determinations on separation issues completed within 21 days from detection date
  - Percentage of lower authority appeals decided within 30 days of appeal
- Increase efficiency in the Regional Claims Centers (RCCs).
  - Reduce wait time on telephone
  - Increase number of calls answered per RCC staff member
- Increase efficiency of resolving unemployment insurance appeals through maximizing telephone hearings.
  - Percentage of telephone hearings
  - Reduced operating expenses (travel time)
  - Customer satisfaction survey
- Increase the number of persons participating in the Crime Victims' Compensation Program.
  - Number of persons participating in the Crime Victims' Compensation Program

# *Summary of Programs*

Child Labor

Crime Victims' Compensation

Discrimination Intake and Investigation

Mine and Cave Safety and Health Training and Inspection

Missouri Assistive Technology

Missouri Workers' Safety

On-Site Safety and Health Consultation

Prevailing Wage

Public Sector Bargaining

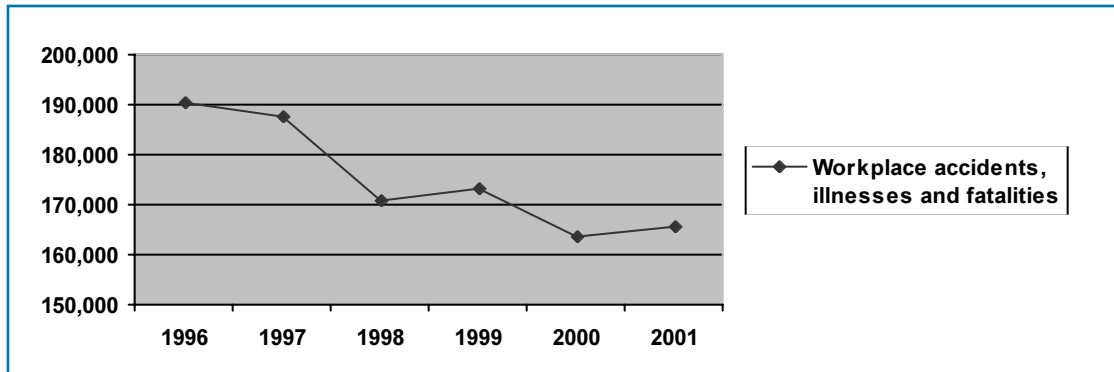
Unemployment Insurance (Benefits, Contributions, Appeals)

Wage and Hour

Workers' Compensation

# Outcome One

## *Reduced job related accidents, illnesses and fatalities.*



SOURCE: Division of Workers' Compensation, Department of Labor and Industrial Relations

### **Why This Measure is Important**

Unsafe workplace practices endanger the health and safety of Missouri's workforce and can hinder the educational opportunities and development of working children.

In 2000, over 150 people lost their lives in Missouri workplaces and approximately 163,000 were injured. The five industries with the highest number of nonfatal occupational injuries in Missouri in 1999 were health services, special trade contractors (construction), transportation equipment (durable goods, manufacturing), business services, and eating and drinking places. Improving working conditions throughout Missouri will contribute to a decrease in work related injuries.

### **Trend Analysis**

There has been a significant reduction of injuries in Missouri workplaces over the last five years. This reduction in workplace injuries has occurred even though a booming economy added workers to the labor market. The 14 percent decrease in workplace injuries since 1996 is a result of several factors. First, the legislative reforms in 1993 made significant changes in the workers' compensation law, particularly safety, which encouraged employers and workers to take a close look at their safety programs and incorporate safety features into their workplaces. Second, the positive trend in injuries is further stimulated by the work of the safety programs offered through the Department's three safety and health programs; On-Site Safety and Health Consultation, Mine and Cave Safety and Health Training and Inspection and Missouri's Workers' Safety. By removing or controlling identified safety and health hazards in the workplace, employers are able to reduce likely Federal Occupational Safety and Health Administration (OSHA) and Mine Safety and Health Administration (MSHA) fines. Third, the educational efforts



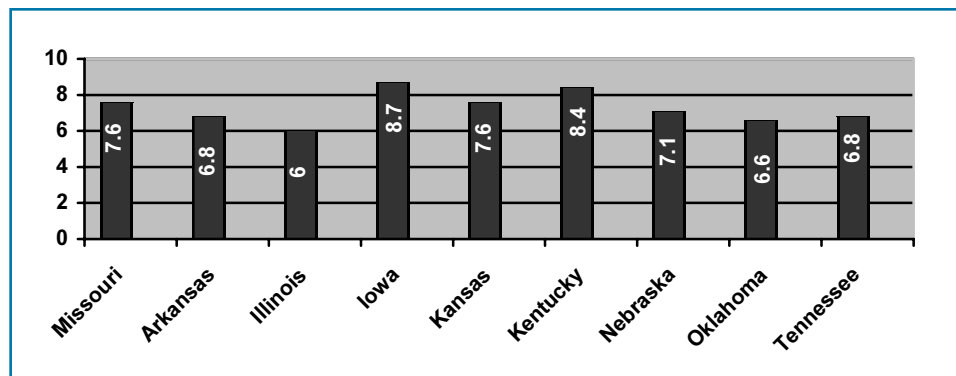
of the Department have provided employers and workers with an important source of information to help them achieve their safety goals. The reduction of workplace hazards results in fewer accidents, which contributes to lower workers' compensation premium costs and improves employee productivity, product quality and job satisfaction.

### Factors Influencing the Measure/Concerns

Although the number of injuries in the workplace has reduced over the past five years, workplace safety continues to be a challenge for Missouri businesses. Compliance with OSHA regulations is especially challenging for small businesses in Missouri. The Department offers three safety and health programs to combat workplace injuries, however these programs are voluntary for Missouri employers. Under the On-Site Consultation Program, the Department has no statutory authority to enter a business uninvited, inspect for workplace hazards or assess fines. In addition, one of the safety programs is mandated to only visit businesses that employ 250 or fewer employees. This significantly reduces the number of potential businesses to visit.

### How Missouri Compares to Others

According to the Bureau of Labor Statistics (BLS), US Department of Labor, Missouri is comparable with neighboring states in nonfatal occupational injury and illness incidence rates. The graph below indicates the incidence rates of occupational injuries and illnesses per 100 full-time workers, in private industry in 1999.



SOURCE: Bureau of Labor Statistics, US Department of Labor

### What Works

Providing training and educational information to Missouri employers has proven to increase workplace safety. Offering a no-cost, no-fine, on-site consultation visit protects Missouri's workers while assisting employers (many with fewer than 250 employees) to stay competitive in the changing marketplace.

The safety programs within the department have shown a nominal increase in the number of safety and health hazards identified and abated. This has been accomplished through a

concentrated effort by the programs to visit the highest hazard industries, which are shown to have high rates of accidents and illnesses.

### Measure

	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
Number of job related accidents, illnesses and fatalities	190,247	187,425	170,727	173,079	163,540	165,698

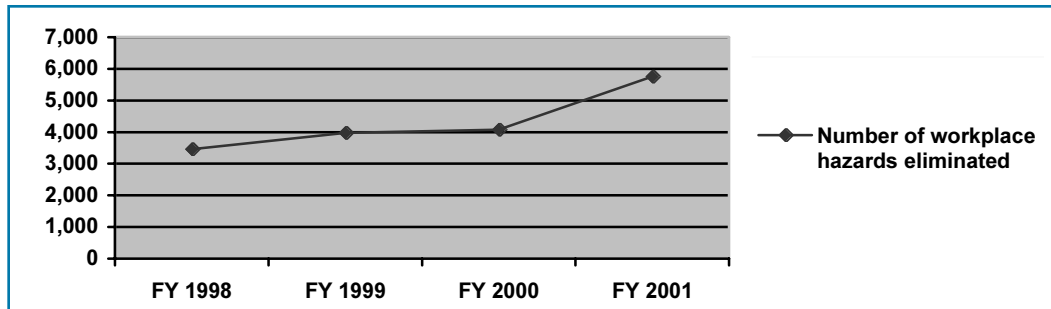
*SOURCE: Injury Processing Report, Missouri Department of Labor and Industrial Relations*

### Description of Measure

This measure represents the total number of First Reports of Injury received by the Division of Workers' Compensation, Missouri Department of Labor and Industrial Relations.

# Objective 1.1

***Increase the number of workplace hazards eliminated resulting in cost savings for Missouri businesses.***



SOURCE: Division of Labor Standards, Missouri Department of Labor and Industrial Relations

## Why This Measure is Important

Missouri's businesses become safer through the identification and elimination of workplace hazards. In the last four years, over 17,000 workplace hazards have been identified and eliminated. The safety programs provided by the Department assist employers in complying with complicated federal OSHA/MSHA regulations. Professionally trained safety and health consultants, inspectors and trainers must continue to provide consultations and training to employers in an effort to continue to reduce the number of workplace accidents, illnesses and fatalities.

## Trend Analysis

Since 1998, the number of workplace hazards eliminated increased 66 percent. The identification and elimination of workplace hazards has resulted in the potential to lower workers' compensation premium costs and has improved employee productivity, product quality and job satisfaction.

Over the last three years, the department has helped employers realize a possible cost savings of nearly \$7.5 million by the recommended hazard abatements.

## Factors Influencing the Measure

1. Willingness of employers to abate identified hazards.
2. Ability to encourage employees to buy into their responsibilities for workplace safety and health.

3. According to Chapter 293, RSMo., the Department's Mine and Cave Inspection Program is limited to specific mines. This limits the program's exposure in the mining community.
4. OSHA limits the On-Site Safety and Health Consultation Program's customer base. They are required to service primarily high-hazard, small employers. OSHA chooses the high hazards, which do not necessarily reflect what is actually occurring in Missouri.

### **How Missouri Compares to Others**

No other states measure the number of hazards identified and abated in mining. This is strictly a measure developed by the Missouri Department of Labor and Industrial Relations, Division of Labor Standards. MSHA only measures penalties assessed, not fines avoided.

### **What Works**

Increased intensity and frequency of inspections and consultations and outreach focused to specific target audiences continue to positively impact the reduction of workplace hazards.

### **Concerns**

The Department's On-Site Safety and Health Consultation Program is mandated to only visit businesses that employ 250 or fewer employees. This significantly reduces the number of potential businesses to visit.

The safety and health programs offered to Missouri's employers through the Department's Division of Labor Standards are funded through Cooperative Agreements with the U.S. Department of Labor. Therefore, these programs must conform to requirements listed in the Cooperative Agreements for the fiscal years under contract. OSHA/MSHA, as the contractor, has the right to set or change program requirements when or if they deem necessary.

The formula used to calculate the "fines avoided measure" is highly dependent on the previous year's activities of OSHA/MSHA citations. When their average dollar fine per hazard decreases in a given year then the total amount of cost savings will also decrease accordingly, as seen in fiscal year 2000.

## Objective Measures 1.1

	Actual				Target	Projected	
	FY 98	FY 99	FY 00	FY 01		FY 02	FY 03
Increase the number of OSHA/MSHA hazards eliminated	3,462	3,977	4,080	5,751	2%	5,866	5,983
Increase the amount of OSHA/MSHA fines avoided	\$2,100,000	\$2,910,040	*\$2,448,190	\$3,070,419	2%	\$3,131,827	\$3,194,464

SOURCE: Division of Labor Standards, Missouri Department of Labor and Industrial Relations

\*In 2000, OSHA decreased the average dollar fine per hazard.

### Description of Measure

The dollar amount of MSHA fines is determined by multiplying the number of hazards found and abated by the average cost of a cited MSHA violation, which is \$275.00.

The dollar amount of OSHA fines is determined by multiplying the number of hazards found and abated by the average cost of an OSHA violation, which is \$827.00.

### Strategies

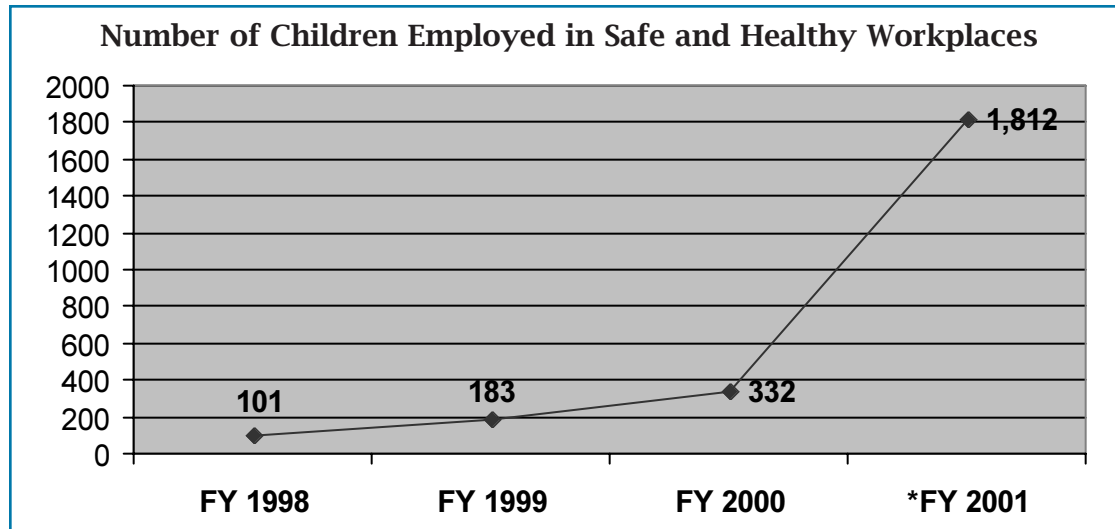
1. Increase the number and intensity of consultations, inspections and educational sessions conducted and number of customers receiving written information.
2. Increase staff's ability to more efficiently address constituent requests and complaints through continued cross training and reclassification of Mine and Cave Instructors and Inspectors.
3. Target On-Site solicitations to the five highest hazard industries and three most hazardous types of work.
4. Provide extensive training for On-Site consultants in current OSHA inspection procedures and priorities.
5. Encourage employers to correct serious hazards identified in a prompt manner.
6. Increase the perception of the value of labor in Missouri.

### Key Programs

On-Site Safety and Health Consultation  
Mine and Cave Safety and Health Training and Inspection  
Missouri Workers' Safety

## Objective 1.2

***Increase the number of children verified by a child labor inspection to be employed in safe and healthy workplaces.***



SOURCE: Division of Labor Standards (DLS), Missouri Department of Labor and Industrial Relations.

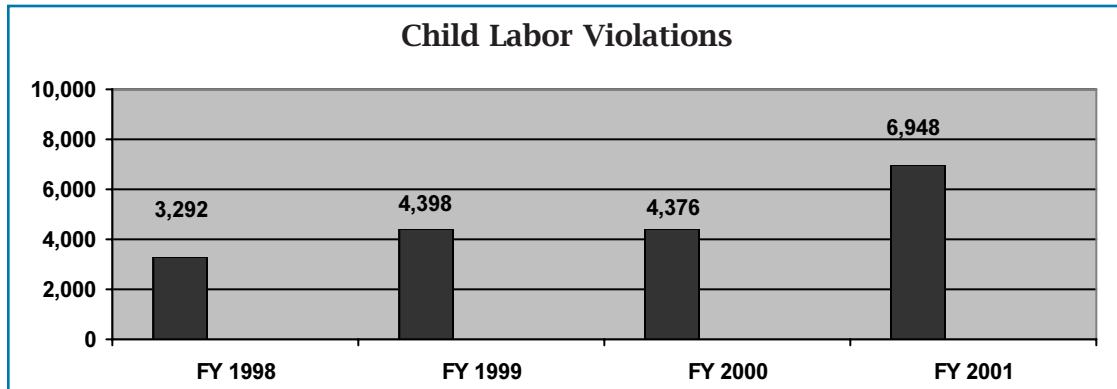
\*In 2001, the DLS began counting all children assisted. Previously, only children working in a business involved in a violation was counted.

### Why This Measure is Important

Each year, many youth under the age of 18 are injured on the job. In fiscal year 2000 alone, over 3,000 Missouri youth were injured seriously enough to file a workers' compensation claim. Since fiscal year 1998, over 19,000 child labor violations have been found. Correction of violations leads to more youth working in safe and healthy workplaces and provides better achievement of educational goals.

There are restrictions on the number of hours, times and places a fourteen or fifteen year old can work. However, there are no hour limitations for a child sixteen years and older. Working long and late hours leads to sleep deprivation. For school children this affects the educational process. Violations of time and hour restrictions can cause increased drop-out rates, higher rates of drug and alcohol abuse, higher levels of gang activity, increased violent behavior, lower grade levels and increased absenteeism. When examining employment patterns of children under age 18, it is important to recognize that 80 percent of children work at some time during high school in addition to attending school. Thus, working 20 hours per week during the school year approximates a 50 hour workweek, not considering homework or extracurricular activities.

## Trend Analysis



SOURCE: Division of Labor Standards (DLS), Missouri Department of Labor and Industrial Relations.

Over the past four years, over 90 percent of child labor violations cited have been a result of youth having no work certificates and working improper times or hours. Young persons under 16 can work during the school term if they first get a work certificate. However certain restrictions apply. These youth may not be employed during the school year for more than three hours on any school day or for more than eight hours on any non-school day and no later than 7:00 p.m. during the school year and 9:00 p.m. in the summer.

The number of child labor violations continues to increase. Historically, most child labor violations are found in the agriculture, retail and food service industries.

## How Missouri Compares to Others

The table below indicates the number of inspections conducted in fiscal year 1999 for labor law compliance. Thirty-nine state labor departments, or equivalent child labor contacts, responded to the survey. Missouri ranks first with inspections showing violations and second in total inspections conducted when compared to all thirty-nine responses.

State	Total Inspections	Inspections showing violations	Total illegally employed minors found
Illinois	1,428	61	448
Iowa	2	2	9
Kansas	2	2	2
Missouri	6,581	4,398	183
Nebraska	115	85	16
Oklahoma	178	68	**

SOURCE: 2000 Child Labor State Survey, Child Labor Coalition

\*\*No answer given.

## **Factors Influencing the Measure**

Missouri's Child Labor Law only applies to youth under 16. However, very little employment data is available for youth these ages.

Fourteen and fifteen year olds work several "odd jobs" that may never be reported as true employment. Therefore, some workplace injuries are not reported.

If violations are found during inspections, employers often state they are not aware of the child labor law. In addition, youth tend to accept jobs at less pay and are easily intimidated by employers.

## **What Works**

The Department provides outreach and education relating to the Missouri Child Labor Law. Regular educational sessions are provided to educators, employers, parents and school officials on their rights and responsibilities under the law.

Information is provided to employers and other organizations to ensure the employment of children is not detrimental to their health and educational needs.

Another program offered through the Department is unique in its direct connection with all statewide School-To-Careers and Workforce Investment Act Youth Council activities. Both regional and local partners are provided with "Train the Trainer" skills. This approach allows Missouri's School-To-Careers and Youth Council program to reach many more partners.

Compliance inspections lead to protection for youth in the workplace, leading to fewer injuries and a better quality education.

## **Concerns**

Funding for the Department's School-To-Careers Program is ending in late summer of 2001. The Department of Economic Development will continue the Child Labor Safety and Health Program through fiscal year 2002 under Workforce Investment Act funds. However, after fiscal year 2002, a program that is purely outreach and assistance will be discontinued.

As noted above, lack of reliable data could cause a waste of limited resources if not focused appropriately.



## Other Sources of Information

Child Labor Coalition  
Protecting Youth at Work – National Research Council, 1998  
US Department of Labor, Wage & Hour Division  
Young Worker Safety and Health Network  
National Institute of Occupational Safety and Health  
Bureau of Labor Statistics

## Objective Measure 1.2

	Actual				Target	Projected	
	FY 98	FY 99	FY 00	FY 01		FY 02	FY 03
Increase the number of children employed in safe and healthy workplaces	101	183	332	*1,812	2%	1,848	1,885

SOURCE: Division of Labor Standards, Missouri Department of Labor and Industrial Relations

\*In 2001, the Division of Labor Standards began counting all children assisted. Previously, only children working in a business involved in a violation was counted.

## Description of Measure

The measure is the total number of children under the age of 16 in workplaces reviewed and determined to be, or brought into compliance with the Missouri Child Labor Law.

## Strategies

1. Update case tracking information to determine how to best focus outreach and enforcement efforts.
2. Increase enforcement efforts to address the growing problem of illegal employment and exploitation of Missouri's youth in peddling and door-to-door sales.
3. Provide educational outreach to employers and their organizations to ensure the employment of children is not detrimental to their health and educational needs.
4. Focus outreach to restaurant industry employers where injuries to Missouri's working fourteen-and fifteen-year-olds are the highest.
5. Additional outreach will be provided to the agricultural industry.

## Key Programs

Child Labor  
Child Labor Safety and Health Coordination

# Outcome Two

## ***Increased efficiency and customer satisfaction with department services.***

### **Why This Measure is Important**

The Department partners with federal, state and local government entities, public entities and private businesses to provide premier administration and enforcement of laws relating to labor and industrial relations.

A primary goal is to constantly review how services are provided to customers. A strong emphasis is placed on planning, accountability and inventiveness. We strive to provide Missourians with exceptional service in the most cost efficient manner and innovative ways possible.

As the use of technology continues to increase, the Department plans to concentrate on providing additional services through the Internet. Increasing the use of services via the Internet will reduce the labor necessary to enter data and file forms, decrease the amount of paper processing required and improve processing time. In order to truly improve customer satisfaction, E-filing should simplify the process for customers and provide a more convenient way to interact with the Department.

At this time, the Department is working on accumulating data for this measure. A baseline will be developed in fiscal year 2002.

### **Measures**

	Target	Projected	
		FY 02	FY 03
Cost reduction for Missouri employers (mailing staff time)*	2%		
Customer satisfaction survey*	5%		

*\*New measures. Baselines will be developed in fiscal year 2002.*

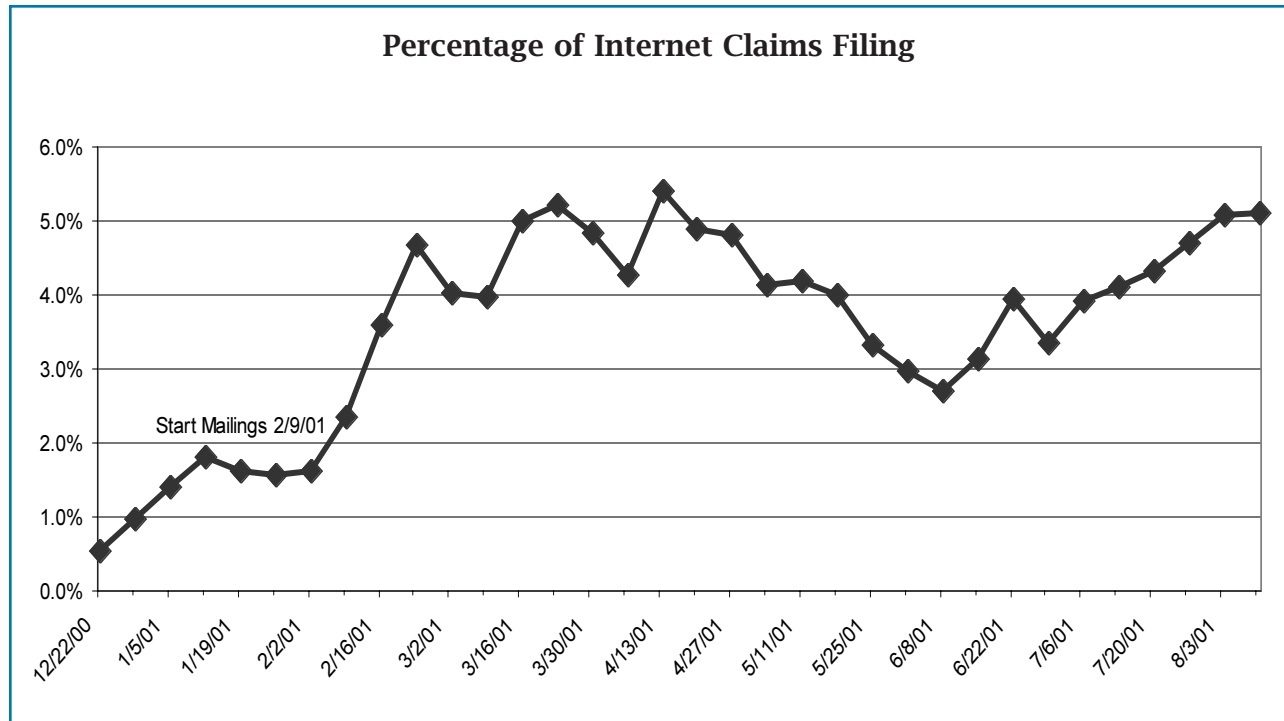
### **Description of Measure**

The cost of conducting business with the Department is not currently measured. A baseline will be developed in fiscal year 2002.

The Department sends various customer satisfaction surveys to its customers, however only one is specifically designed to gather information about Internet services.

## Objective 2.1

***Increase the percentage of claimants filing new, renewed and reopened unemployment insurance claims via the Internet.***



SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations

### **Why This Measure is Important**

Missouri's unemployment is impacted by seasonal and economic fluctuations. Unemployment insurance (UI) claim filing activity is also greater at the beginning of the work-week. With these factors, it is difficult to consistently meet customers' expectations for prompt service during periods of peak workload.

In 1996, the Department changed the way individuals file initial claims for UI benefits. Instead of reporting in person to local offices, unemployed individuals file initial UI claims by placing a toll free telephone call to one of four Regional Claims Centers (RCCs).

The RCCs receive over 300,000 telephone calls annually on the toll free 800 line for initial claims. As the number of Internet filed claims increases, the number of 800 calls to the RCC will be reduced. This reduction will result in quicker response and better customer service as well as cost savings. With an average of ten minutes per UI call and a cost of nine cents per minute for the toll free 800 line, a 25 percent reduction in the number of calls would result in a potential cost savings of \$67,500.00 per year (based on the number of calls received in fiscal

year 2000).

The Internet Claim Filing system is available 24-hours a day, seven days a week, with a few exceptions for maintenance. These hours will be a great convenience to those not wanting or not able to file during regular RCC business hours.

### **Trend Analysis**

On December 18, 2000, the Department began taking UI claims over the Internet. There was very little advertisement initially in order to start the process at a slower pace in case any problems were encountered. During the first three months, the number of initial claims filed with this method grew to five percent (3,716 claims) of the total number of initial unemployment claims filed. With the planned marketing program, the Department projects that at least 15 percent of Missouri claimants will be filing their UI claims via the Internet by July 2002.

A satisfaction survey is sent to claimants utilizing the Internet Claims Filing system. Survey results indicate 96 percent agree or strongly agree the Internet application was easy to use. Ninety-three percent were satisfied with the new filing method.

### **How Missouri Compares to Others**

Florida, Minnesota, Washington and Wyoming have implemented Internet claims. Maryland and Wisconsin are in the process of implementing Internet claims. North Carolina has a system that allows employers to file claims for employees and is developing an Internet claims process that will allow claimants to self-file. The Internet claims system in each of these states require staff intervention, either in the form of review or completion of data provided by the user.

The automation of Missouri's Internet Claims Filing system makes it the first state nationwide to enable individuals to file their UI claims without assistance or intervention from UI staff.

### **Factors Influencing the Measure**

The Internet Claims Filing system was implemented in December 2000. Therefore, many Missouri claimants are not aware of the new method of filing UI claims. Use of the Internet filing method should increase with more education and outreach.

With the unstable economy and increased unemployment rates, the number of UI claims filed should increase. The Department anticipates as the number of UI claims filed increases, the number of claimants using the Internet Claims Filing system will also increase.

The customer satisfaction survey is an excellent management tool for improving the current system. As suggestions are received, the Department is looking at ways to make the system more user-friendly.

At this time, only new, renewed or reopened unemployment insurance claims may be filed via the Internet. The Department is researching ways to enhance the current system that would allow additional claimants to use the Internet filing process. This will result in more claims filed via the Internet.

### **What Works**

The Internet Claims Filing system is more convenient for many individuals and provides them with another option for filing UI claims. Those individuals filing via the Internet eliminate the time spent waiting to speak to an employee on the telephone and reduces the number of calls received. This leads to increased customer satisfaction, decreased wait time on phone calls and allows staff to work on other issues.

### **Concerns**

As mentioned earlier, the Department is researching ways to enhance the current system that would allow additional claimants to use the Internet filing process. This will increase the demand for technological support. Limited resources could delay improvements to the current system.

### **Other Sources of Information**

United States Census Bureau

### **Objective Measure 2.1**

	Actual February - June 2001	Target	Projected	
			FY 02	FY 03
Increase percentage of claimants filing new, renewed and reopened unemployment insurance claims via the Internet	5%*	10%	15%	25%

*SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations*

\*Internet Claims Filing system was implemented December 18, 2000, however was not marketed until 2/9/01.

### **Description of Measure**

Percentage of the total number of initial UI claims filed.

## **Strategies**

1. Increase marketing campaign. Pamphlets, posters, etc. will be sent to labor organizations, employer/industry organizations and community resources (libraries, schools, etc.) to familiarize potential claimants.
2. Include Internet UI services in all employer seminars and use the mailings distributed with the quarterly employer UI contributions reports.
3. Partner with the Division of Workforce Development and local Workforce Investment Board staff in Rapid Response settings to acquaint soon-to-be-dislocated workers about the Internet filing program.
4. Continue to send customer surveys to end-users for feedback and to make updates to the system as necessary.

## **Key Program**

Unemployment Insurance (Benefits)

## *Objective 2.2*

### ***Increase the percentage of employers filing contribution wage reports and/or payment of contributions via the Internet.***

#### **Why This Measure is Important**

Four times a year, the Department prepares and sends a contribution and wage report form to the 128,000 employers in Missouri. This process uses approximately 120 employees for three and a half weeks each quarter. Employees from other areas are asked to assist the contributions section in the receipt and processing of returned contribution and wage report forms.

Employers are given 30 days after each quarter to file their contribution and wage report information. Employers may send a hard copy of this report to the Department or file through magnetic media. Magnetic media includes disk, reel-to-reel and cartridge. The Department sorts the reports, enters specific data, scans the documents and then forwards the report to a contractor for additional data entry. This entire process typically takes six weeks.

The filing of contribution and wage reports via the Internet will give employers another option when filing mandatory employee information. The new option will provide employers with a faster, easier and more convenient means to file contribution and wage reports. As more employers utilize the new option, the Department will experience a decrease in the amount of data entry and a cost savings in postage, paper and envelopes. This will allow staff to work on other issues.

#### **Trend Analysis**

Since fiscal year 1998, an average of 126,381 employers in Missouri were liable for unemployment insurance coverage for their employees. Nearly 10 years ago employers were given the option to file their contribution and wage report through magnetic media. Employers welcomed this new method of filing and in the first seven years, the Department received approximately 40 percent of wage items filed by employers through magnetic media. In 1998, legislation was passed that mandated employers with 250 or more employees to file their contribution and wage reports through magnetic media. Currently, approximately 60 percent of wage items filed by employers each quarter is filed through this method.

#### **How Missouri Compares to Others**

Missouri will be among the first 10 states to offer Internet filing of contribution and wage reports. Maryland, Wisconsin, Texas and Nebraska are some of the states already offering this method to employers.

## Factors Influencing the Measure/Concerns

The Department must make filing of contribution and wage reports via the Internet as convenient and simple as possible. If information is difficult to find, forms are not easy to complete and services are not tailored to customers, this method of filing will not be successful.

Customers must be aware of and encouraged to use the Internet service. Some employers do not trust that information is relayed to the Department until he or she speaks to an employee, or do not feel comfortable sending payments over the Internet. The Department must ensure that it is providing improved customer satisfaction; otherwise few employers will take advantage of the filing method.

Placing additional information on the Internet will require additional funds. The assistance of the Department's Information Systems' section will be instrumental in providing these services via the Internet. Availability of staff and funds could delay information placed on the Internet.

## What Works

Approximately 60 percent of wage items are filed by employers through magnetic media. This represents approximately twenty thousand employers. Forty percent of wages are filed by the remaining approximate 108,000 employers that send a hard copy report to the Department. It is reasonable to assume several employers currently filing through magnetic media will file via the Internet.

Offering employers the option to file contribution and wage reports via the Internet will be a new alternative. Therefore, successful approaches have not yet been identified.

## Objective Measure 2.2

	Target	Projected FY 03
Increase percentage of employers filing contribution and wage reports via the Internet	5%	
Increase percentage of contribution payments made via the Internet	5%	

*SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations*

\*New measure. A baseline will be developed in fiscal year 2002.

## Description of Measure

Percentage of the total number of contribution and wage reports and payment of contributions filed.



## **Strategies**

1. Research and identify a method of filing contribution and wage reports and payment of contributions via the Internet.
2. Launch a marketing campaign to familiarize potential employers and accounting firms.
3. Include new method of filing in all employer seminars and use the mailings distributed with the quarterly employer UI contributions reports.

## **Key Program**

Unemployment Insurance (Contributions)

## **Objective 2.3**

***Increase the percentage of new employers registering through the Department of Labor and Industrial Relations (DOLIR)/Department of Revenue (DOR) joint application process.***

### **Why This Measure is Important**

There are approximately 14,000 new employers in Missouri each year who are liable for unemployment insurance coverage for their employees. Under state law, new employers are required to register with the DOLIR and the DOR. Each agency has a form and registration process.

In an effort to place less burden on the customer, the DOLIR and DOR partnered to combine the registration into a one-step process for new employers. The results include less time spent completing the registration form, less hassle and more convenience for new employers.

### **Trend Analysis**

This process will be implemented October 1, 2001. Therefore, no trends have been established.

### **How Missouri Compares to Others**

Maine, Colorado, Oregon and Michigan have a joint application process available for new employers. Missouri will be one of the first Mid-Western states, as well as one of the first 10 states in the United States to create a joint application process for new employers.

### **Factors Influencing the Measure**

The joint registration process will be implemented in October 2001. Therefore, many new employers are not aware of the recent method of registering with the state. Use of the joint application process should increase with more education and outreach.

New employers may use the joint application process from any personal computer. In 2000, approximately 52 percent of Missouri households had personal computers. The number of households in Missouri connected to the Internet was over 42 percent. With the additional availability of Internet access, it is reasonable to assume the number of new employers utilizing the joint application process will also increase.

Customer satisfaction is a key element to the success of this process. The Department plans to survey new employers using the joint application for potential enhancements and changes to the process.

### **What Works**

The Department is currently determining the appropriate steps necessary to make the joint application process a success.

### **Concerns**

Since this project was a partnership between DOLIR and DOR, it is imperative that both agencies continue to work as a cohesive unit when making changes, enhancements, etc. to the process.

The Department plans to conservatively market this new process for the first 30 days after implementation. This will prevent several new employers from experiencing programming problems and not utilizing the process in the future.

Before the application process was combined, new employers completed a two-page form for the Department. It was short and required little time. Although DOLIR and DOR streamlined the joint application process, the one application makes the form thicker and could take additional time to complete. Hopefully, this will not be a deterrent to using the new process.

### **Objective Measure 2.3**

	Actual Implemented 10/1/01	Target	Projected	
			FY 02	FY 03
Increase percentage of new employers registering through the joint application process	0%	2%	2%	4%

*SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations*

### **Description of Measure**

This measure represents the percentage of the total number of new employers filing through the Division of Employment Security.

## **Strategies**

1. Increase marketing campaign through news releases, direct mailing to all Accounting/Bookkeeping firms already submitting wage reports and provide posters and information at employer seminars and in public offices.
2. Generate quarterly reports to monitor the number the new employers utilizing the new joint registration process.

## **Key Program**

Unemployment Insurance (Contributions)

## **Objective 2.4**

### ***Increase efficiency of resolving appeal cases through the Labor and Industrial Relations Commission (LIRC).***

#### **Why This Measure is Important**

The Commission hears appeals from all decisions and awards in workers' compensation and unemployment insurance cases. Some of the workers' compensation cases range from six months to six years old before they reach the Commission for review.

Providing a timely resolution will result in a decision and possible payment to claimants faster. Benefit payments will assist families during economic hardships and help prevent Missourians from obtaining public income support or dropping below the poverty level.

Last year, the Commission reviewed approximately 3,000 workers' compensation and unemployment insurance cases. Briefs are filed in approximately 99 percent of workers' compensation cases and five percent of unemployment insurance cases. Each case typically costs the Commission approximately \$10 to process the briefs. Implementing an E-filing system for processing briefs will result in decreased staff time, mailing cost and paper usage.

#### **Trend Analysis**

Since 1999, the Commission has processed an average of 95 percent of unemployment insurance appeals cases within 80 days.

Workers' compensation cases have many factors that make completion time more difficult to measure. Typically, these cases take four to 12 months to complete, depending on when transcripts are received, if extensions to file briefs are requested, etc. Internal processing time is approximately two to three months.

#### **How Missouri Compares to Others**

Collecting comparable data for appeals cases is difficult because the appeals process differs among states. In some states, appeals cases are forwarded to the court system, rather than being reviewed by a designated Commission.

#### **Factors Influencing the Measure/Concerns**

Educating attorneys and claimants that E-filing is available will be key in the success of this measure.

Many steps in the appeals process at this level are outlined in state statutes. Reviewing the statutes is essential when researching possible changes to the current system. Any rule or statute change must be identified and included in the legislative package for the Department.

Determining an acceptable means of electronic signatures is critical to the filing of appeal applications via the Internet. Law has been passed at the federal level, however there is no formal law regarding this issue in Missouri.

Communication in the appeals process is mandatory in providing an impartial and judicially sound resolution to all cases. All parties must be notified of briefs and motions filed, even if done through the Internet.

Although approximately 52 percent of Missouri households had personal computers last year, it is essential that claimants and attorneys filing appeal cases have access to the Internet.

### **What Works**

Offering claimants the option to file appeal cases via the Internet will be a new alternative. Therefore, successful approaches have not yet been identified.

### **Objective Measures 2.4**

	<b>Actual FY 01</b>	<b>Target</b>	<b>Projected FY 03</b>
Reduce average time to resolve an appeal	UI appeals - 97% within 80 days WC appeals - six to 12 months	2% 5%	*
Reduce operating expense of processing briefs (mail, staff time and paper)	\$10 per case	15%	\$8.50 per case

*SOURCE: Labor and Industrial Relations Commission, Missouri Department of Labor and Industrial Relations*

### **Description of Measures**

\*The Department is currently determining possible measures for this objective. A baseline will be developed in fiscal year 2002.

### **Strategies**

1. Redesign the current appeal filing system to include the option of filing briefs and motions via the Internet.
2. Develop and send survey to claimants, attorneys, etc. requesting feedback on filing appeals cases via the Internet.
3. Promote the new method of filing appeals cases to potential candidates.

## **Key Program**

Appeals

# Objective 2.5

## ***Increase efficiency of resolving workers' compensation cases.***

### **Why This Measure is Important**

Approximately 165,000 workers' compensation injuries were reported in fiscal year 2001. Providing prompt and equitable resolution in cases of work related injuries or occupational diseases provide some economic stability to those individuals off work due to an injury. Also, the faster cases are resolved, the less expensive the process will be for all parties involved.

### **Trend Analysis**

The Department started tracking the number of days between the receipt of a First Report of Injury (FRI) and the time a conference is held in fiscal year 2001. Therefore, there is not much historical information to report. As of June 2000, the average number of days is approximately 94.

### **How Missouri Compares to Others**

Approximately 15 other states, including Iowa and Nebraska mandate employers to supply workplace injury reports through Electronic Data Interchange (EDI). The Department currently utilizes the EDI, however employers and insurers are not mandated to use the system. At the end of June 2001, approximately 42 percent of FRIs were filed through the EDI system.

Another system the Department implemented in 1998 was the Remote Adjudication Module (RAM). This system provides the Division of Workers' Compensation's legal staff with key case information on stand alone laptop computers for all cases on their docket, including key imaged documents for each case. This system provides the only source of information for conducting dockets at remote locations. Many states, including Kansas, Nebraska and Minnesota do not currently have a system similar to the RAM.

### **Factors Influencing the Measure/Concerns**

The Department has increased the number of FRIs received through EDI over the last two years, however there is no state statute that requires employers and insurers to file First Reports of Injury through EDI. Therefore, the Department has no enforcement authority.

Since EDI is not mandated at this time, an alternative must be developed to communicate to employers and insurers via the Internet. However, confidentiality of reports when placed on the Internet has been identified as a potential concern.



Most injured workers filing a workers' compensation claim have legal representation. Legal representation often requests extensions, which leads to delays in case processing time.

The Department is not always successful in receiving information from insurance companies and medical providers in a timely manner. This usually delays case processing time.

## What Works

FRI received through EDI are entered immediately into the system. This has proven to assist in moving cases in a timely manner. Receiving FRIs through EDI prevents backlog, decreases mailing time for employers, reduces data entry errors and saves money for all parties.

## Objective Measures 2.5

	Actual				Target	Projected	
	FY 98	FY 99	FY 00	FY 01		FY 02	FY 03
Decrease the average number of days from FRI to a conference settlement*	497 days	457 days	440 days	444 days	2%	435 days	425 days
Decrease the average number of days from receipt of claim for compensation to a settlement or award**	627 days	617 days	612 days	611 days	2%	599 days	587 days
Decrease the average number of days from FRI to a settlement or award***	677 days	651 days	638 days	632 days	2%	619 days	607 days
Decrease operating expenses (mail, staff time, paper)	****	****	****	****			

SOURCE: Division of Workers' Compensation, Missouri Department of Labor and Industrial Relations

## Description of Measure

\*The number of days from when a First Report of Injury is received by the Division of Workers' Compensation to a conference date.

\*\*The number of days from receipt of a claim for compensation to when a settlement is reached or an award is issued.

\*\*\*The number of days from receipt of FRI in the Division of Workers' Compensation to a settlement or award.

\*\*\*\*The Department is currently determining the operating expenses for processing workers' compensation cases.

## **Strategies**

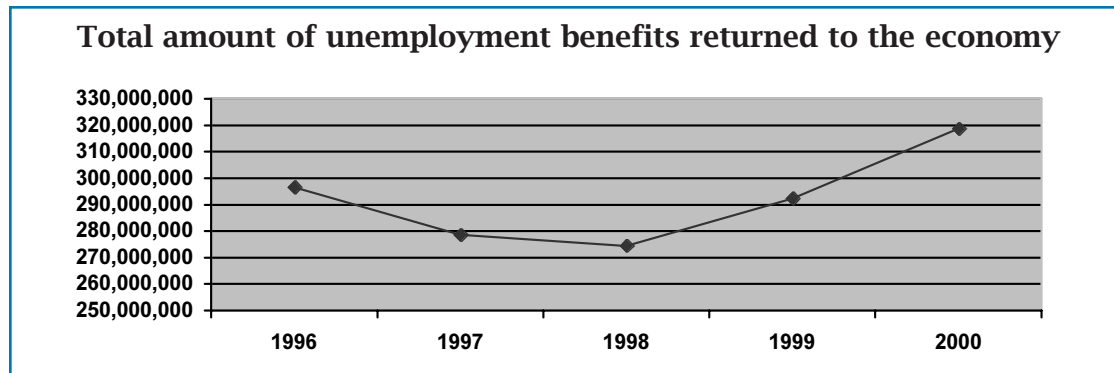
1. Increase the number of employers filing FRIs through EDI.
2. Review current processing procedures to ensure the efficiency of handling workers' compensation cases.
3. Identify and segregate operating expenses applicable to the processing of workers' compensation cases.
4. Develop protocols that maximize communication between case processing staff and employers and insurers.
5. Enhance the use of electronic communication that reduces errors and increases the speed with which cases are resolved.

## **Key Program**

Workers' Compensation

# Outcome Three

## *Increased financial security for families of unemployed, injured workers and victims of crime.*



SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations

### **Why This Measure is Important**

Although Missouri has witnessed a low unemployment rate since 1995, there are still Missourians who need compensation for unemployment, lost workdays and medical expenses due to injuries on the job.

In fiscal year 2000, Missourians filed 2,178,269 weekly unemployment insurance claims, and the Department paid a total of \$318,702,669 in unemployment benefits. There is a continuing responsibility to promote economic security for the citizens of Missouri.

In 2000, approximately 150 people died in Missouri workplaces and approximately 163,000 were injured. Providing a financial safety net for injured workers will promote economic stability for Missourians.

### **Trend Analysis**

Although the number of unemployment insurance claims for the period reported in the above graph has remained relatively constant due to favorable economic conditions in Missouri, the amount of benefits paid has increased due to increases in the Maximum Weekly Benefit Amount (MWBA) brought about by the passage of House Bill 472. The MWBA was increased incrementally by \$15 per year from 1998 through 2001. Starting in 1998, the MWBA was increased from \$175 per week to \$205 per week followed by an increase to \$220 per week in 1999 and \$235 per week in 2000. The MWBA increased to \$250 per week in January 2001.

## **How Missouri Compares to Others**

Other states administer unemployment insurance, workers' compensation and crime victims' programs. Collecting comparable data for these programs is difficult because laws governing the administration of these programs differ among states.

## **Factors Influencing the Measure/Concerns**

Periods of economic downturn will generate additional UI claims filed. As the number of claims filed increases, the amount of benefits paid will also increase. The Department has seen a steady increase in workload since fiscal year 2000 and anticipates the number of claims filed will increase.

It is imperative that benefits are available to those unemployed workers filing for unemployment insurance. Based on federal projections, the UI Trust Fund will be insolvent by 2003. The Department is currently addressing this potential problem.

A primary goal for the Department is to continue the downward trend of workplace injuries. This will take a strong effort on the part of employers and workers to maintain strong safety programs and on the part of the Department to provide the services and resources necessary for employers to be successful.

## **What Works**

The unemployment and workers' compensation benefits paid to insured and injured workers help to boost the economy of the state. Prompt payments of these benefits will result in eligible claimants receiving money faster. This can prevent Missourians from obtaining public income support or dropping below the poverty level.

## Measures

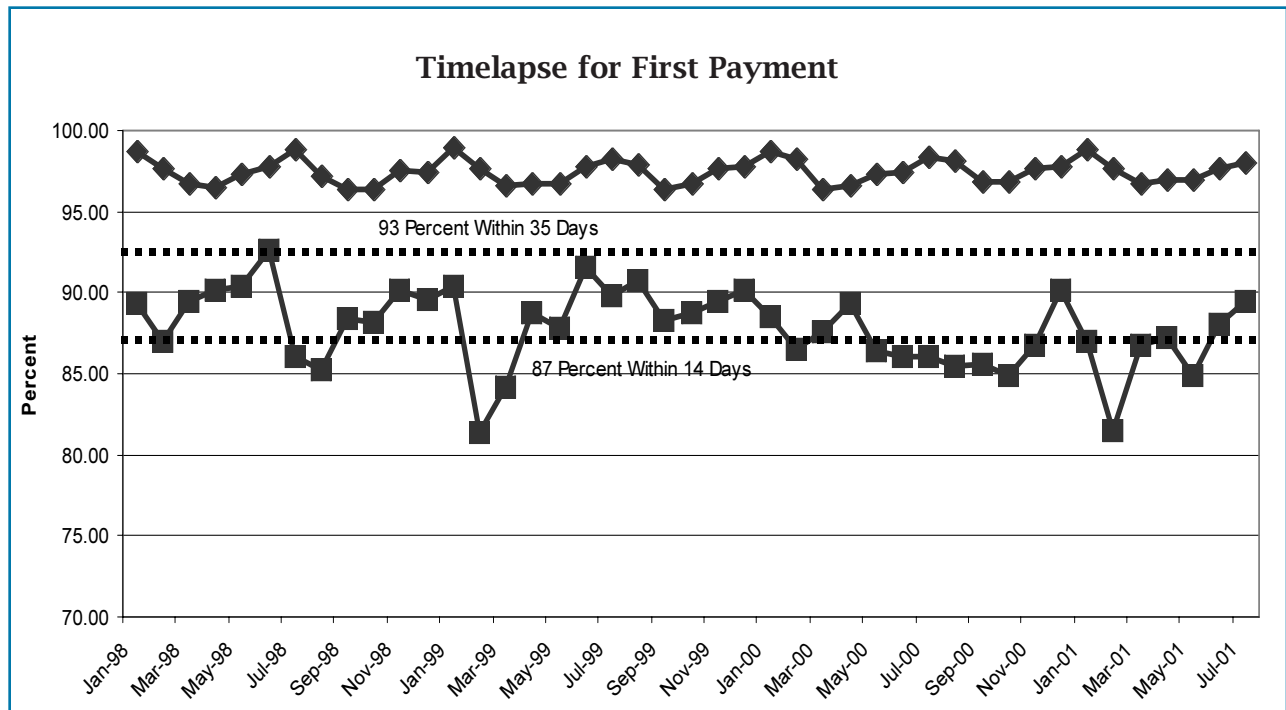
	FY 98	FY 99	FY 00	FY 01
Amount of unemployment insurance benefits returned to the economy	\$274,499,201	\$292,320,431	\$318,702,699	\$414,096,970
Percent of average weekly wages compared to weekly UI amount	29.9%	30.8%	31.6%	*
Amount of financial assistance to trade-affected workers through federal NAFTA/TAA Program	\$1,875,613	\$3,468,398	\$7,675,572	\$10,700,000
Amount of child support obligations fulfilled through withholdings from unemployed insurance benefits	\$5,392,187.56	\$4,692,724	\$4,640,020	\$4,135,607
Amount of dollars paid to replace lost wages due to injury	\$315,500,000	\$334,300,000	\$314,800,000	\$171,242,961
Amount of dollars paid to victims of crime	\$5,440,184.05	\$4,744,532.54	\$5,344,505.90	\$5,622,478

SOURCE: Division of Employment Security/Workers' Compensation, Missouri Department of Labor and Industrial Relations

\*Data not available until January 2002.

# Objective 3.1

***Increase prompt payment of unemployment insurance (UI) initial claims and resolution of contested claims.***



SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations

## Why This Measure is Important

UI benefits provide partial protection against loss of wages for workers who become unemployed through no fault of their own. The UI benefits paid to insured workers help to boost the economy of the state during periods of economic downturn by helping maintain the level of consumer purchasing power.

Timely resolution of claims and appeals will result in prompt payment to eligible claimants. UI benefits can prevent Missourians from obtaining public income support or dropping below the poverty level.

## Trends

On average, the Department has consistently processed 87 percent of unemployment insurance claims within 14 days and 93 percent within 35 days.

The UI program is a joint federal/state system. The federal government places performance standards on various components of the program. In 2001, the federal government raised the performance standard from 87 to 90 percent of first payments processed within 14 days. As the workload increases, it becomes more difficult to meet federal standards. However, the federal government does not place “sanctions” if performance measures are not met.

### **How Missouri Compares to Others**

The chart below indicates the percentage of first payments processed within 14 days and the percentage of nonmonetary determinations filed within 21 days for calendar year 2000.

<b>Time Lapse</b>	<b>AR</b>	<b>IA</b>	<b>IL</b>	<b>KS</b>	<b>MO</b>	<b>NE</b>	<b>OK</b>
First Payment	91.7	90.0	92.2	90.0	86.9	94.8	92.0
Nonmonetary Determinations	90.2	38.8	85.8	84.5	54.6	65.9	84.1

*SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations*

### **Factors Influencing the Measure**

The UI workload has consistently increased over the past year. A comparison of the workload from last year shows over 20 percent increase in new and renewed claims, a 25 percent increase in weeks claimed and a 16 percent increase in nonmonetary determinations. These increases placed greater demands on the RCC staff and reduced the number of staff who could be assigned to incoming calls.

Staffing of the RCCs is crucial to the success of prompt payments and reduced wait time on phone calls. RCCs have been operating at approximately seven to eight percent below their allocation. The Department continues to experience employees retiring. Most of these employees retired with over 20 years of service. In addition, after receiving training, employees accept positions outside of state government earning higher salaries. The loss of knowledgeable employees and consideration of hiring and training new employees has a significant impact on the timeliness of cases.

### **What Works**

Monitors are stationed on the desks of each RCC team supervisor to assist them in managing incoming calls. Supervisors have access to a real-time management information system. The monitors indicate the number of calls in the queue waiting to be answered. When a RCC team supervisor notices the queue getting full, he or she will notify central office to re-route telephone calls from one RCC to another. The shift in workloads allows staff to answer incoming calls in a timely manner resulting in decreased wait time and abandoned call rate and increased customer satisfaction. This leads to prompt payment of benefits to claimants.

Expanding the hours a claimant can file an UI claim also assists in decreasing wait time on the phones and increases the timeliness of cases. In the past, staff has been asked to work state holidays to work on nonmonetary determinations. This results in more timely payments to claimants and fewer information calls, allowing more staff to be assigned to initial claim calls.

Fewer phone calls should be received at the RCCs, as more claimants utilize the Internet Claims Filing system. A reduced amount of phone calls will allow more staff to work on nonmonetary determinations, resulting in faster payment to claimants.

## Concerns

Hiring, training and retaining RCC staff is imperative to increasing prompt UI payments to claimants. It takes approximately two years before new employees become fully knowledgeable on the law, rules and regulations under the UI program.

A downturn in the economy will generate additional UI claims filed. Additional workloads with existing staff levels could result in delayed payment of benefits.

At this time, the Internet Claims Filing system is only capable of accepting new, renewed or reopened UI claims. Future enhancements to the current system will allow more claimants to file via the Internet, resulting in prompt UI payments. However, information systems' staff will play a significant role in the completion of this process. Limited resources could hinder enhancements to the system in a timely manner.

## Objective Measures 3.1

	Actual				Target	Projected	
	FY 98	FY 99	FY 00	FY 01		FY 02	FY 03
*Increase the percentage of first benefit payments made within 14 days of first compensable week	*	87.7%	88.5%	86.3%	4%	87%	90%
**Increase the percentage of nonmonetary determinations on separation issues completed within 21 days from detection date	*	67%	65%	54.3%	25%	75%	80%
Increase percentage of lower authority appeals decided within 30 days of appeal	53.5%	73.1%	75.95%	52.1%	15%	60%	69%

SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations

\*Data for this time period is not available.



## **Description of Measures**

\*This is a measure of how quickly the Division of Employment Security (DES) mails a claimant the very first UI benefit check on his or her claim. To be considered timely, the DES must mail the check no later than 14 days after the week ending date of the week it is for.

Example: A claim is filed effective June 10, 2001. The first two weeks on this claim are week ending 6/16/01 and 6/23/01. Each week is identified by the last day of the week and this is referred to as the week ending date. If the claimant is eligible, week ending 6/16/01 would be the waiting week and the claimant would be entitled to a check for the week ending 6/23/01, making it the first compensable week. To be timely, this check must be mailed by 7/7/01.

\*\*This is a measure of how quickly the DES completes a determination on a separation issue (such as the claimant quit or was discharged). To be considered timely, DES must complete that determination no later than 21 days after the detection date. The detection date is the first day the DES became aware that the separation issue existed. This may be at the time the initial claim was filed or it may be after DES has received a protest from an employer.

For example: A claim is filed on June 8, 2001. When the claimant files the claim, she tells the deputy that she was discharged by her most recent employer. The detection date is June 8, 2001. To be timely, DES must make a determination on this separation no later than June 29, 2001.

## **Strategies**

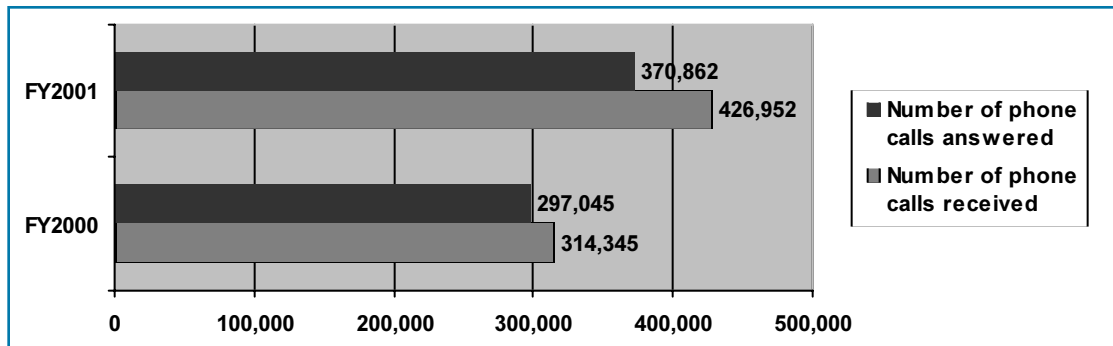
1. Monitor and review RCC reports for possible improvement processes.
2. Conduct Benefits Accuracy Measurement audits and develop methods for improvement.
3. Conduct quarterly reviews of randomly selected appeals cases for quality.
4. Send customer satisfaction surveys for continuous improvement of the UI system.

## **Program**

Unemployment Insurance (Appeals, Benefits)

## Objective 3.2

### *Increase efficiency in the Regional Claims Center (RCC).*



SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations

#### **Why This Measure is Important**

UI benefits provide partial protection against loss of wages for workers who become unemployed through no fault of their own. The UI benefits paid to insured workers help to boost the economy of the state during periods of economic downturn by helping maintain the level of consumer purchasing power.

The RCCs receive over 300,000 telephone calls annually on the toll free 800 line for initial claims. During fiscal year 2001, the RCCs received 112,607 more initial claim calls and answered 73,817 more initial claims calls than for the same quarters of fiscal year 2000. This is an increase of 35.8 percent in the total number of initial claims calls and a 24.9 percent increase in the number of calls answered. Despite the increase in calls answered, the abandoned call rate increased nine percent; thus staff's capacity was overloaded. The inability to speak to a RCC staff member delays the processing of claims and pushes back payment of benefits.

#### **Trend Analysis**

Downturns in the economy significantly affect the number of unemployment insurance claims filed and the number of telephone calls received. During periods of high unemployment (December through February and July), the Department receives a substantial increase in the number of claims received and number of calls answered.

Over the last four fiscal years, the average wait time on the telephone was approximately four minutes.

## **How Missouri Compares to Others**

The structure and method of the UI program differs from state to state. Some states have initial claims operations separate from adjudication. States such as Nebraska and Illinois have local offices for claimants to file UI claims, while others have RCCs. In addition, the amount of information taken by staff on initial claims differs between states based on law.

## **Factors Influencing the Measure**

The number of initial claim calls has consistently increased over fiscal year 2000. The RCCs are receiving an additional 35.8 percent of calls over last year. Additional phone calls place greater demand on the RCC staff and increase wait time for claimants. This leads to claimants abandoning the phone call before speaking to a staff member.

Staffing of the RCCs is crucial to the success of prompt payments and reduced wait time on phone calls. RCCs has been operating at approximately seven to eight percent below their allocation. The Department continues to experience employees retiring. Most of these employees retired with over 20 years of service. In addition, after receiving training, employees accept positions outside of state government earning higher salaries. The loss of knowledgeable employees and consideration of hiring and training new employees has a significant impact on the wait time for claimants.

The unemployment rate has increased over the last several months and is projected by the U.S. DOL to increase to nearly five percent in 2002. This should increase the number of UI claims filed. The Department anticipates increased initial claim calls and possibly additional wait time for claimants.

## **What Works**

Monitors are stationed on the desks of each RCC team supervisor to assist them in managing incoming calls. Supervisors have access to a real-time management information system. The monitors indicate the number of calls in the queue waiting to be answered. When a RCC team supervisor notices the queue getting full, he or she will notify central office to re-route telephone calls from one RCC to another. The shift in workloads allows staff to answer incoming calls in a timely manner resulting in decreased wait time and abandoned call rate and increased customer satisfaction. This leads to prompt payment of benefits to claimants.

Expanding the hours a claimant can file a UI claim also assists in decreasing wait time on the phones and increases the timeliness of cases. In the past, staff has been asked to work state holidays to work on nonmonetary determinations. This results in more timely payments to claimants and fewer information calls, allowing more staff to be assigned to initial claim calls.

Fewer phone calls should be received at the RCCs, as more claimants utilize the Internet Claims Filing system. A reduced amount of phone calls will allow more staff to work on nonmonetary determinations, resulting in faster payment to claimants.

## Concerns

Hiring, training and retaining RCC staff is imperative to increasing prompt UI payments to claimants. It takes approximately two years before new employees become fully knowledgeable on the law, rules and regulations under the UI program.

A downturn in the economy will generate additional UI claims filed. Additional workloads with existing staff levels could result in increased wait time and delayed payment of benefits.

At this time, the Internet Claims Filing system is only capable of accepting new, renewed or reopened UI claims. Future enhancements to the current system will allow more claimants to file via the Internet, resulting in prompt UI payments. However, information systems' staff will play a significant role in the completion of this process. Limited resources could hinder enhancements to the system in a timely manner.

## Measures

	Actual				Target	Projected	
	FY 98	FY 99	FY 00	FY 01		FY 02	FY 03
Reduce average wait time on telephone	3.5 min	3.8 min	3.0 min	6.0 min	2.0 min	4.0 min	2.0 min
Increase average number of calls answered per RCC staff**	3,846	3,413	3,600	3,552	2%	3,623	3,695

SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations

## Description of Measure

\*\*Number of calls answered divided by the number of positions worked. Positions worked are an average for each fiscal year and includes annual and sick leave.

## Strategies

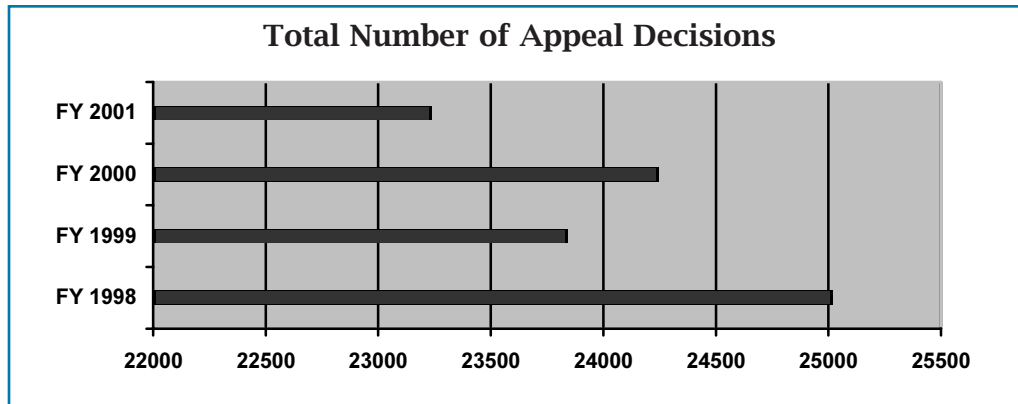
1. Increase marketing of Internet Claims Filing system through Interactive Voice Response messages, Rapid Response meetings, Career Centers, employer mailings, etc. Claims filed via the Internet will reduce the number of calls received by the RCCs.
2. Fill all vacancies in the RCCs.
3. Monitor the Automatic Call Distribution and StatVu software to quickly respond to peaks of incoming calls, diverting staff attention from other assignments to answering incoming calls.
4. Balance workload between the four RCCs. Making use of new procedures and technologies will allow the movement of workloads from one RCC to another.

**Programs**

Unemployment Insurance (Benefits)

## Objective 3.3

***Increase efficiency of resolving unemployment insurance appeals through maximizing telephone hearings.***



*SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations*

### **Why This Measure is Important**

There were over 20,000 appeal cases heard in fiscal year 2000. During this time, nearly 90 percent of unemployment insurance appeals were scheduled in person. There are a few exceptions that meet the criteria for a telephone hearing.

UI telephone appeals allow parties to have their hearing conducted in a fair, economic and logical manner. Claimants can have their case heard with minimal disruption to their lives. Employers save on lost productivity. The telephone appeals process also has benefits for the efficiency of the Appeals Tribunal and potential for increased case decisions and productivity at the same time decreasing costs of referee travel and cost for maintenance of out state office space.

### **Trend Analysis**

Of the 20,000 plus appeals reviewed in fiscal year 2001, 11 percent were conducted via telephone. This has been a steady percent over the past several years.

## How Missouri Compares to Others

State	Reason for Telephonic Hearings	How Long	Number of Appeals Annually	Percentages of Appeals by Phone
Arkansas	Efficiency Time Lapse Customer Service	5 years	9,500	95%
Iowa	Fiscal	5 years	10,250	85-90%
Illinois	Efficiency Security	4 years	48,453	90%
Kansas	Fiscal Efficiency Customer Service	4 years	9,500	98.5%
Missouri	Employee returned to work Medical Condition Appellants are 40 miles from nearest hearing location	20 years	20,430	11%

*SOURCE: Study conducted by the Division of Employment Security, Missouri Department of Labor and Industrial Relations*

## Factors Influencing the Measure

A downturn in the economy will generate additional UI claims filed. As the rate of filed claims increases, the number of appeals will also increase.

Proper phone and audio equipment is critical to the success of any telephonic appeals process.

## What Works

No problems have been identified with the 11 percent of current hearings held via telephone.

Other states that use a telephonic approach find the forum decreases the bias potential of the in-person forum. The telephone process allows for the record to speak for itself.

With telephone hearings, benefits can be distributed more timely.

Telephone hearings reduce the amount of travel time necessarily incurred by all the referees under the present system. By eliminating their “windshield” time referees will have more office productive hours.

## Concerns

Telephone hearings do have some drawbacks that must be addressed. Some claimants do not have the capacity to understand what is happening with a telephone appeal. Technological difficulties often frustrate the process.

Having good phone equipment is critical to the success of any telephonic appeals process. Teleconferencing works well, but is cost prohibitive. Digital transcribing and digital docketing are used by other states, however difficulties with voice recognition have been identified and it is also cost prohibitive. The actual increase in telephone cost is undeterminable at this time.

Due process and other debates regarding telephonic hearings have been discussed. However, courts have held that the telephone appeal process does not violate parties due process rights or equal protection under the law.

Access to the documentary evidence is a challenge to the telephone appeals process. Exhibits must be sent to parties prior to the hearing. This should increase costs for claimants and employers. Lost exhibits could delay the telephone hearing.

### Other Sources of Information

Missouri Division of Employment Security Feasibility Study, May 2001

### Objective Measures 3.3

	Actual		Target	Projected	
	FY 00	FY 01		FY 02	FY 03
Increase percentage of telephone hearings*	11%	11%	79-84%	90%	95%
Reduce travel cost	\$100,850.95 in calendar year 2000		10%	\$90,765.85	\$81,689.26
Increase customer satisfaction** (measured through survey)	Not previously measured		5%		

*SOURCE: Division of Employment Security, Missouri Department of Labor and Industrial Relations*

*\*\*New measure. A baseline will be developed in fiscal year 2002.*

### Description of Measure

\*This measure represents the percentage of hearing conducted by telephone.

### Strategies

1. Make all referees' offices and hearing rooms through the state "telephone hearing capable."
2. Purchase and install a telephone system capable of clear recordable voice production.
3. Purchase and install state of the art audio recording system.
4. Update and computerize the entire docketing system.
5. Update and enlarge the incoming 800 number that will allow parties quick and efficient access to the system.
6. Study other states' programs and implement their best ideas.
7. Cross train the existing clerical staff to create a more flexible, efficient office.



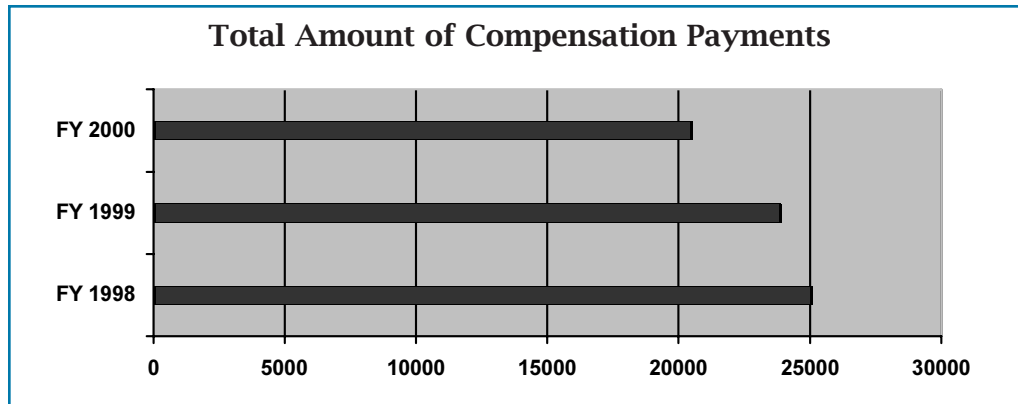
8. Revise the Administrative Regulations and Rules to comply with telephone hearings.
9. Revise all appeals publications and website to reflect new system.
10. Initiate an educational program to advise the employers, unions and public of the new system.
11. Distributions of telephone hearings without venue consideration thereby equalling docket loads through the state.
12. Develop a customer satisfaction survey.

### **Key Program**

Unemployment Insurance (Appeals)

## Objective 3.4

***Increase the number of eligible persons participating in the Crime Victims' Compensation Program.***



*SOURCE: Division of Workers' Compensation, Missouri Department of Labor and Industrial Relations*

### **Why This Measure is Important**

Benefits are paid to victims of violent crimes who have suffered physical injury as a direct result of a crime, or in the case of the death of the victim, a dependent. Over the past four years, the Department has paid over \$21.7 million in compensation payments to victims of crime and their families. This assists violent crime victims through a period of financial hardship.

Without this financial assistance, victims of violent crime are more likely to obtain public income support or drop below the poverty level.

### **Trend Analysis**

The number of victims participating in the program has steadily grown over the past three years. The program witnessed a seven percent increase in participants over last year. This increase is even more significant when considering there was a decrease in the number of violent crimes committed in Missouri. Violent crimes in Missouri decreased from 28,055 in calendar year 1998 to 25,637 in calendar year 1999, a nine percent reduction.

### **Factors Influencing the Measure**

To a great extent, the increase in crime victims' claims filed is due to the marked expansion of outreach and education efforts. Providing information to violence shelters, prosecutors, etc. is

critical for a successful program.

As mentioned earlier, a main function of the crime victims' compensation program is outreach. Every other year, staff travels to each county in the state to educate various groups about the benefits of the program. However, the Department has no authority to oversee if the educational pieces of literature are disseminated to victims of violent crimes.

History has shown if the economy remains unstable or worsens, the number of crimes increase. This leads to additional claims filed with the program.

### **How Missouri Compares to Others**

Each state administers a crime victims' compensation program. The policy and procedures for the program varies among states. All states, with the exception of Iowa and New York place ceilings on the award amounts available to victims of crime.

In fiscal year 2001, the maximum award amount in Missouri is \$15,000. The State of Missouri is tied with five other states with a maximum award amount of \$15,000. There are 37 states with maximum award amounts higher than Missouri.

### **What Works**

Education and outreach has proven to increase awareness and participation in the crime victims' compensation program. Constant contact with police departments, hospitals, violence shelters, prosecutors, etc. is essential to increasing the number of victims filing claims.

### **Other Sources of Information**

Missouri State Highway Patrol

### **Objective Measure 3.4**

	Actual			Target	Projected	
	FY 99	FY 00	FY 01		FY 02	FY 03
Number of participants in the Crime Victims' Compensation Program	1,607	1,732	1,761	3%	1,814	1,868

*SOURCE: Division of Workers' Compensation, Missouri Department of Labor and Industrial Relations*

### **Description of Measure**

Number of people submitting a crime victims' compensation application.

## **Strategies**

1. Increase outreach programs to target all law enforcement, prosecutor's offices, medical providers, domestic violence shelters, rape and abuse crisis centers, public schools, universities and the general public.
2. Increase the number of public presentations intended to educate all interested parties.
3. Process cases in timely manner.

## **Key Program**

Crime Victims' Compensation